Process	*Depreciating Assets*
Process Number	*AM-009*

Description of Process

This process includes maintenance of Asset Management table attributes that are utilized by the depreciation process, Calculating Depreciation, and viewing the results.

Input to Process

Required depreciation attributes on Asset Book Table:

- Depreciation method
- Prorate convention
- Depreciable basis
- Estimated useful life
- Placed-in-service date

These attributes may be set up in three places:

- Business Unit Books
- Asset Profiles
- When adding an asset

Changes to table information can occur at any time and may result in recalculation of asset depreciation.

Asset additions, adjustments, transfers, retirements, and reinstatements result in calculation or recalculation of asset depreciation.

Output of Process

- On-line view of depreciation results including net book value.
- Determining when and where to process depreciation.
- Depreciation calculation for specified asset transactions.
- On-line view of open transactions.
- Depreciation table values to be used to create depreciation accounting entries.

Service Level Agreement Required? (if yes, provide a brief description)

PeopleSoft Panel Groups being Used

Function	Panel Group
Manage Assets	Use	Asset ExpressAdd
Manage Assets	Use	Asset Book Definition	General 2
Define General Options	Use E-P	Operator Preferences	Asset Management
Manage Assets	Inquire	Open Transactions
Manage Assets	Process	Depreciation Calculation
Manage Assets	Use	Asset Depreciation

Business Process Description

Process Description		Responsibility (Agency/Centralized)
Asset Book Definition		Centralized
Step 1	From the Manage Assets, Manage Assets panel, select Use, Asset Book Definition. The following attributes may be changed on the Asset Book Definition panels. Items marked with an asterisk (*) require recalculation of depreciation. • *In service date – This date is used to determine when depreciation will begin. • *Depreciation method – Pre-defined by PeopleSoft • Calculation type – When depreciation attributes change, the calculation type determines how depreciation is recalculated. If **Remaining Life** is selected, depreciation is recalculated on net book value over the remaining life of the asset. **Life-to-date** is used when there is a change in accounting principle, such as a change in depreciation method. Depreciation is recalculated from the beginning of the asset's life to determine the difference between the depreciation taken under the old method and the depreciation allowed under the new method.	

Process Description		Responsibility (Agency/Centralized)
Setting Operator Preferences		Centralized
Step 1	From the Define Business Rules, Define General Options panel, select Use E – P, Operator Preferences, Asset Management. Determine when and where you will run the Depreciation Calculation process. Choices are: **Now on client** – if this option is selected, the depreciation calculation program (AMDPCALC) will automatically run on the clients PC each time an asset is added. The program is triggered when the addition or change is saved. **Now on server** (supply server name if this option is selected) - if this option is selected, the depreciation calculation program (AMDPCALC) will automatically run on the specified server each time an asset is added. The program is triggered when the addition or change is saved. **Process later** – If this option is selected, the depreciation calculation process (AMDPCALC) will run based on user specification. See "Running Depreciation Calculation" later in this document.	
Step 2	Enter date default values for Accounting and Transaction Date. If populated, Accounting and Transaction dates will default to the values entered here. If not populated, the Accounting and Transaction dates default to the current date.	

Process Description		Responsibility (Agency/Centralized)
Viewing Open Transactions		Agency
Step 1	From the Manage Assets, Manage Assets panel, select Inquire, Open Transactions	
Step 2	Enter search criteria on the Update/Display – Open Transactions panel	
Step 3	View search results	

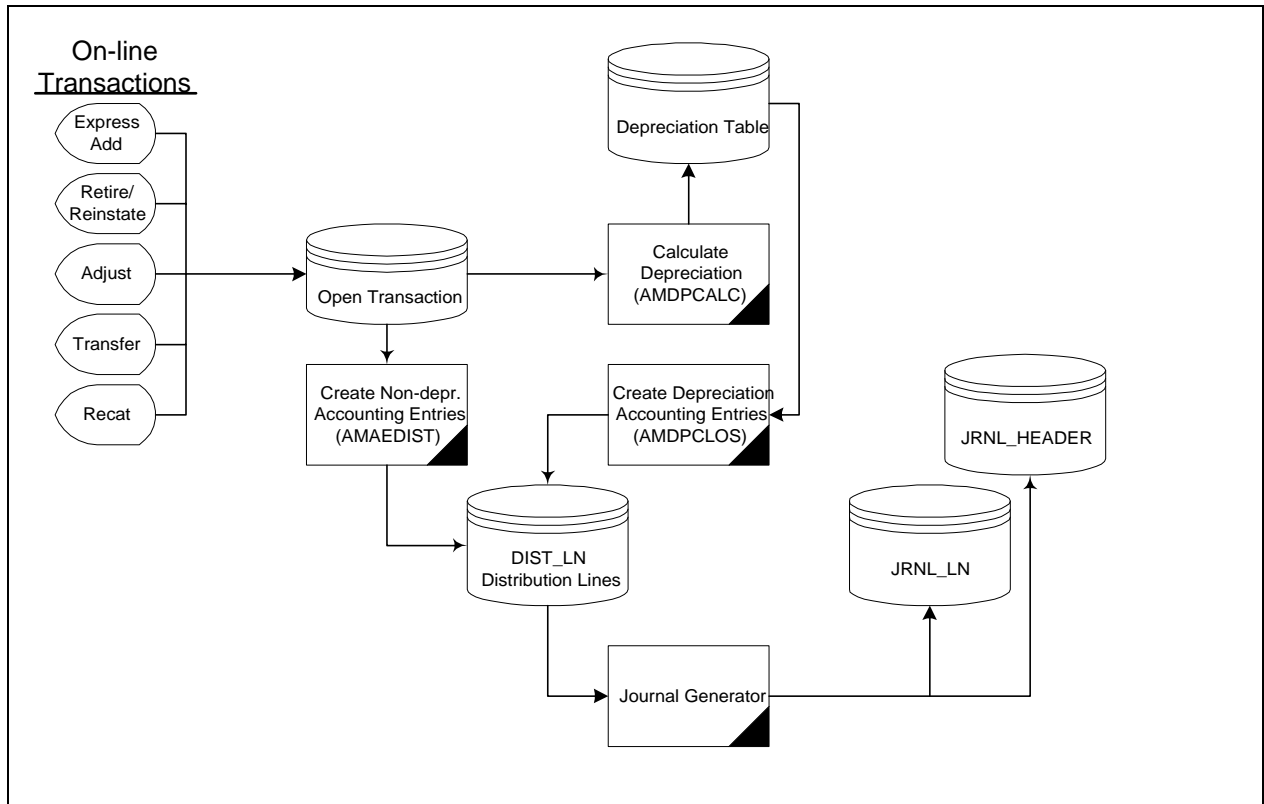| Process Description	Responsibility (Agency/Centralized)
Running Depreciation Calculation – If operator preference is set to Process Later, depreciation calculation must be run using the Process Scheduler Request panel.	Centralized
Step 1 From the Manage Assets, Manage Assets panel, select Process, Depreciation Calculation	
Step 2 Add a Run Control ID or select an existing one.	
Step 3 Enter an Operator ID and transactions to be included in the depreciation calculation process, then click on the RUN icon.	
Step 4 Populate the Process Scheduler Request panel to include: Run Location – Client or Server Run Date/Time – Only if the Run Location is on the server Output Destination – File, printer or window Then click OK	

Process Description	Responsibility (Agency/Centralized)
Viewing Asset Depreciation	Agency
Step 1 To calculate net book value for an asset, from the Manage Assets, Manage Assets panel, select Use, Asset Depreciation, Net Book Value.	
Step 2 Populate the Update/Display – Asset Depreciation search dialog box and click OK. Select the appropriate asset from the list.	
Step 3 To calculate the Net Book Value of the asset, specify the As Of Fiscal Year and Accounting Period and click Calculate NBV. Cost, accumulated depreciation, salvage value and net book value will be displayed.	
Step 4 To view annual depreciation for an asset, from the Manage Assets, Manage Assets panel, select Use, Asset Depreciation, By Year.	
Step 5 To view period depreciation for an asset, from the Manage Assets, Manage Assets panel, select Asset Depreciation, By Period. Specify the year and click Get Period Depreciation. To view depreciation expense or accumulated depreciation for the specified year, click the Expense or Accum check box.	

Forms Used with Process (None)

**Attach sample form(s)

Process Flow Diagram (if appropriate):

Process Signoff

Tested By
Date Tested